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Original Title Page

APL/CMA CGM US West Coast/Asia
SLOT CHARTER AGREEMENT

FMC Agreement No. **012411**

A Space Charter Agreement

Expiration Date: None



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FULL NAME OF THE AGREEMENT

The full name of this Agreement is the APL/CMA CGM – US West Coast – Asia Slot Charter Agreement (hereinafter referred to as the “Agreement”).

PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter referred to as “Party” or “Parties”) are:

American President Lines, Ltd. (“APL”)
16220 N. Scottsdale Rd., Suite 300
Scottsdale, AZ
85254-1781
USA

and

CMA CGM S.A. (“CMA CGM”)
4, quai d’Arenc
13235 Marseille Cedex 02
France

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to authorize APL to charter space to CMA CGM on certain U.S. flag vessels APL operates or on which APL has space in the Trade (as hereinafter defined) and to authorize the Parties to enter into cooperative working arrangements with respect to the chartering of such space.

GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement shall cover transportation from ports on the West Coast of the United States and U.S. inland and coastal points served via such ports, on the one hand, to ports and points in China and South Korea on the other hand (the “Trade”).

ARTICLE 5: AGREEMENT AUTHORITY

5.1 On such terms and conditions (including slot charter hire and maximum weight limitations) as the Parties may from time to time agree, APL shall charter to CMA CGM and CMA CGM shall purchase from APL slots for all space needed by CMA CGM (up to 100 TEUs on an APL US FLAG Sailing) for the movement of cargo from the United States West Coast to China and South Korea, on U.S. flag vessels operated by APL in the vessel string now known as EX1. The Parties may discuss and agree on the terms and conditions relating to said space charters.

5.2 In the event that APL structurally modifies its EX1 service and CMA CGM is of the opinion that such modification is or may be detrimental to its own performance on the service, the Parties shall discuss revising the terms of this Agreement based on criteria and conditions to be mutually agreed. Should the Parties not reach an agreement regarding appropriate revisions, then CMA CGM may terminate the Agreement upon 30 days written notice. For purposes of this subsection “detrimental” shall mean loss of a port call that is commercially significant to CMA CGM, or a material negative effect on service standards for the rotation caused by the structural change in the rotation.

5.3 CMA CGM shall be entitled to use its slot allocations without any geographical restrictions regarding the origin or destination of the cargo, subject to such operational restrictions as the Parties may agree on from time to time. The Parties may discuss and agree on the treatment of full, empty, wayport/interport, or breakbulk cargo. With respect to calculation of slot usage for high cube and 45-foot containers, the Parties may discuss and agree to establish a fair mechanism for taking into account the usage of slots.

5.4 CMA CGM shall not assign, charter, or sub-charter any slots that APL has chartered to it under this Agreement to third parties without the prior written consent of APL, except to its fully owned subsidiaries and affiliates that are VOCCs within the meaning of the Shipping Act and implementing regulations of the FMC.

5.5 The Parties shall settle financial obligations to each other under this Agreement at such intervals and in accordance with such procedures as they may agree.

5.6 The Parties are authorized, but not required, to negotiate jointly with terminal operators on the Trade and to enter into joint or individual contracts with terminal operators and/or stevedores in connection with vessels operated or space provided hereunder. Common terminal charges (as defined by the Parties) shall be shared by the Parties based on their pro rata throughput in each port, unless otherwise agreed.

ARTICLE 6: CHARTER PARTY TERMS

6.1 The Parties are authorized to discuss and agree upon such general administrative matters and other terms and conditions concerning the implementation of this Agreement, and to implement agreements concerning all matters relating to the terms and conditions of charter parties relating to activities undertaken pursuant to this Agreement and the use of slots that are allocated or sold and the cargo carried therein, including, without limitation, terms and conditions concerning: procedures applicable to the above rights and responsibilities with respect to port omissions, drydocking, and other matters affecting adherence to port schedules; rights and responsibilities concerning shut out containers; vessel operation and maintenance; declarations of cargo weight; cargo operations; responsibility for loss, damage and claims, including with respect to cargo and equipment; stowage planning; permissible and restricted cargo; special cargo; bills of lading; indemnity for cargo claims, containers, and other indemnities, including with respect to sub-chartering slots; treatment of hazardous cargoes; force majeure; owners and bareboat charterers; insurance; trading limits; salvage; general average; liens; war; stowaways; epidemics; and certificates.

ARTICLE 7: ADMINISTRATION AND VOTING

7.1 All decisions under this Agreement shall be by mutual agreement, except as the Parties may otherwise provide. Decisions regarding the EX1 string, such as ports to be called, port rotations, vessels, vessel speeds, etc. shall be made by APL at its discretion, subject only to CMA CGM's right to terminate under Article 5.2.

7.2 Any modification or amendment of this Agreement must be in writing and signed by the authorized representative of all Parties, and is subject to applicable filing and effectiveness requirements under the Shipping Act of 1984, as amended and codified, and applicable Federal Maritime Commission regulations.

7.3 The following persons are authorized to subscribe to and file this Agreement and any accompanying materials, as well as any subsequent modifications to this Agreement which may be adopted by the Parties:

- (a) Any authorized officer of any of the Parties; and
- (b) Legal counsel for any of the Parties.

7.4 The Parties may implement this Agreement by decisions made or actions taken at meetings or by telephone, fax, e-mail, or exchange of other writings utilizing such administrative structures and procedures as they deem appropriate.

ARTICLE 8: DURATION AND TERMINATION OF AGREEMENT

8.1 This Agreement shall enter into effect on the date it becomes effective under the U.S. Shipping Act of 1984.

8.2 The Parties agree that this Agreement shall continue until such time as APL no longer operates its service now known as the EX1 with U.S. flag vessels. Notwithstanding the foregoing, this Agreement may be terminated at any time by the mutual agreement of the Parties (or by CMA pursuant to Article 5.2).

8.3 Unless otherwise agreed, this Agreement will remain in force until the completion of all the voyages in progress at the time such notice to terminate would otherwise have taken effect.

8.4 Notwithstanding the provisions in Article 8.1 above, this Agreement may be terminated pursuant to the following provisions:

- (a) If at any time during the term of this Agreement there shall be a change in ownership of any of the Parties, and such change in ownership is likely to materially prejudice the cohesion or viability of this Agreement or another Party's commercial interest, then such other Party may, within one (1) month of becoming aware of such change, give not less than one (1) months' notice in writing to the other Party of its intention to terminate this Agreement.

(b) If at any time during the term of this Agreement, a Party is dissolved or becomes insolvent or makes a general assignment arrangement or composition with or for the benefit of its creditors or has a winding-up order made against it or enters into liquidation, whether voluntarily or compulsorily, or seeks or becomes the subject of the appointment of an administrator, receiver, trustee, custodian, or other similar official for it or for all or substantially all of its assets or is affected by any event or similar act or which under the applicable laws of the jurisdiction where it is constituted has an analogous affect or takes any action in furtherance of any of the foregoing acts (other than for the purpose of a consolidation, reconstruction or amalgamation previously approved in writing by the other Party), and such event or occurrence is or may be materially detrimental to this Agreement or to payment of sums that may be owed, other than those that may be disputed in good faith, may not be paid in full or may be delayed in payment, then the other Party may give written notice terminating the Agreement with immediate effect. Such termination shall be without prejudice to any accrued obligations arising hereunder prior to the provision of such written termination notice.

8.5 In the case of a material breach by any Party, then that Party shall correct that breach within thirty (30) days from the date of written notice (specifying such breach or failure of performance) sent by any other Party. In the event that the breach is not resolved within 30 days thereafter, then the non-breaching Party shall have the right to terminate the Agreement effective thirty (30) days from the date notice of termination was given.

8.6 Any termination hereunder shall be without prejudice to any Party's respective financial obligations to the other Party as of the date of termination, and a non-defaulting Party retains the right to bring a claim against a defaulting Party for any loss and/or damage caused or arising out of such default.

ARTICLE 9: CONFIDENTIALITY

Except as required by law, activities under this Agreement shall be regarded as confidential to the Parties and no Party acting for itself or on behalf of its employees, agents, and subcontractors shall divulge any non-public information concerning the business and affairs of the other Party that it shall have obtained or received as a result of this Agreement or any discussions under it or leading to its formation. The obligations of this Article survive termination of this Agreement.

ARTICLE 10: GOVERNING LAW AND JURISDICTION

10.1 The interpretation, construction, and enforcement of this Agreement, and all rights and obligations between the Parties under this Agreement, shall be governed by the laws of England, provided, however, that nothing herein shall relieve the Parties from the applicable requirements of the U.S. Shipping Act of 1984, codified at 46 U.S.C. § 40101 et seq.

10.2 All disputes or differences arising out of or in connection with or under this Agreement which cannot be amicably resolved shall be referred to the law and jurisdiction of High Court of Justice in London.

10.3 Either Party may at any time call for mediation of a dispute under the auspices of the LMAA. Unless agreed such mediation shall not otherwise interfere with or affect anything else including the time bars and Court procedure. If a Party calls for mediation and such is refused, the Party calling for mediation shall be entitled to bring that refusal to the attention of the Court.

ARTICLE 11: MEMBERSHIP

Membership in this Agreement is limited to the Parties hereto, except that additional parties may be admitted by unanimous consent of the Parties, and subject to compliance with Shipping Act requirements.

ARTICLE 12: SEVERABILITY

12.1 Should any term or provision of this Agreement be held invalid, illegal or unenforceable, the remainder of this Agreement, and the application of such term or provision to persons or circumstances other than those as to which it is invalid, illegal or unenforceable, shall not be affected thereby; and each term or provision of this Agreement shall be valid, legal and enforceable to the full extent permitted by law.

ARTICLE 13: MISCELLANEOUS

13.1 No Party shall be entitled to assign or transfer its rights or obligations under this Agreement, except with the other Party's prior written consent.

13.2 This Agreement is not intended to create, and shall not be construed as creating, a partnership or joint liability under the law of any jurisdiction. Nor shall any Party be considered an agent of any other Party unless expressly stated or constituted in writing.

13.3 To the extent possible, all agreements, decisions, understandings, procedures and other arrangements made pursuant to this Agreement shall be read in conjunction with and interpreted as consistent with this Agreement. In the event of any conflict or inconsistencies, the terms of this Agreement shall always prevail and be paramount.

13.4 The Parties shall both be signatory to the Agreement to Voluntarily Participate in Customs-Trade Partnership Against Terrorism ("C-TPAT Agreement") and agree to develop and implement a verifiable, documented program to enhance security procedures throughout their respective portions of the supply chain process, as described in the C-TPAT Agreement.

ARTICLE 14: NOTICES

Any correspondence or notices hereunder shall be made by courier service or registered mail, or in the event expeditious notice is required, by email or fax confirmed by courier or registered mail, to the following addresses:

APL:

American President Lines, Ltd. ("APL")
16220 N. Scottsdale Rd., Suite 300
Scottsdale, AZ, USA, 85254-1781
Attn: Eric Swett
Email: eric.swett@apl.com
Fax: +1 602 586 4865

CMA CGM:

CMA CGM S.A.
4 Quai d'Arenc
13235 Marseille Cedex 02
France
Attn: Jean-Yves DUVAL
E-mail: ho.jyduval@cma-cgm.com
Fax: +41 22 703 8668

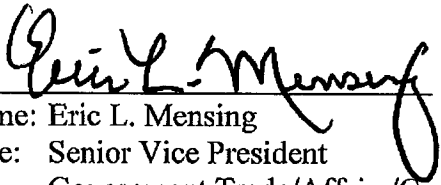
ARTICLE 15: COMPLIANCE WITH LAWS

The Parties agree to comply, and to not cause the other Party to fail to comply, with all applicable laws, rules, regulations, directives and orders issued by any authorities having lawful jurisdiction over either of the Parties in relation to their respective performance of this Agreement and the services operated hereunder. The Parties warrant that they, their affiliates, subsidiaries and/or agents providing services under this Agreement and the shippers, consignees, and others named on bills of lading are not identified, not owned 50 percent or more by one or more persons or entities identified on the U.S. Treasury Department's list of specially designated nationals and blocked persons ("SDN List") or, to the extent it could prohibit either Party from performing under this Agreement, on the OFAC Consolidated Sanctions List. The Parties further agree that goods and/or containers transported hereunder will not be transported on a vessel owned and/or operated by any Party on the SDN List. The Parties may agree upon such additional terms as they believe prudent and necessary to assure their respective legal compliance with applicable laws and regulations, including but not limited to lawful trade sanctions regimes.

Signature Page

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their authorized representatives as of this ____ day of April, 2016.

American President Lines, Ltd.


Name: Eric L. Mensing
Title: Senior Vice President
Government Trade/Affairs/Guam

CMA CGM S.A.

Name:
Title:

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Signature Page

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by
their authorized representatives as of this ____ day of April, 2016.

American President Lines, Ltd.

Name:

Title:

CMA CGM S.A.

Name: Jean-Yves Durr

Title: VP Africa Line